



Senate Bill No. 502

May Special Session, Public Act No. 16-3

AN ACT CONCERNING REVENUE AND OTHER ITEMS TO IMPLEMENT THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2017.

Sec. 31. Section 12-63i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2016*):

(a) The Secretary of the Office of Policy and Management shall establish a pilot program for not more than five municipalities of varying sizes and in different regions of the state to allow for the assessment of a commercial property based on the net profits of the business or businesses occupying such property. Municipalities shall apply to said office in the manner and form directed by the secretary for inclusion in the pilot program.

(b) Notwithstanding any provision of the general statutes, any municipal charter, any special act or any home rule ordinance, each municipality selected to participate in the pilot program shall, by ordinance, provide for the assessment of [not more than three] commercial properties based upon the net profits from the previous calendar year of the business or businesses occupying each commercial property or, if such commercial property was vacant, on the net profits anticipated by a new business tenant of such commercial property. A participating municipality shall include in the ordinance adopting such assessment method (1) a description of commercial properties that are eligible for such assessment method, (2) a requirement that all parties affected by the use of such assessment method, including the owner or owners of the commercial property, the business or businesses occupying such property and the municipality, agree to the use of such assessment method, (3) a description of how the rate of assessment for such commercial properties will be determined, based upon such net profits or anticipated net profits, (4) provision for an application process, including documentation required from the owner of a commercial property to demonstrate the benefits to the municipality and such commercial property of such assessment method, and (5) provision for the phase-out of such assessment method on individual

commercial properties, so such properties may be returned to the assessment method otherwise required by this chapter.

(c) The Secretary of the Office of Policy and Management shall, not later than January 1, 2015, and annually thereafter, report in accordance with the provisions of section 11-4a to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding, regarding the program established by this section. Such report shall include a description of (1) efforts made by the office to inform municipalities about the program, (2) the application process developed by the office, (3) inquiries and applications received from municipalities regarding participation in the program, and (4) legislative changes that may be considered to improve the program.